

Pipestone, Minnesota
February 3, 2025

Pursuant to due call and notice thereof, a regular meeting of the Pipestone City Council was duly held in-person and via Zoom in the Municipal Building at 6:30 p.m. on the 3rd day of February 2025. Mayor Dan Delaney called the meeting to order. Roll call was taken, and a quorum was declared. Members present: Dan Delaney, Rodger Smidt, Danielle Thompson, Scott Swanson, and Verdeen Colbeck. Absent: none. Others present: Kyle Kuphal, City Attorney Jason Hill via Zoom, City Engineer Travis Winter via Zoom, EDA Director Justin Schroyer, City Financial Advisor Rebecca Kurtz, Cable Access Coordinator Steve Moffitt, Assistant City Administrator/City Clerk Stephanie LaBrune, and City Administrator Deb Nelson.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

APPROVE AGENDA - ADDITIONS, CHANGE OR DELETIONS

Mayor Delaney stated that he would like to remove from the agenda under old business item A. Resolution 2024-62 and item B. Pipestone Housing and Redevelopment Authority Board Appointment and add under new business item F. Approve the One and Five Year Plan and item G. Consider the Authorization to Allow Staff to File a Claim from the VISA/Mastercard Fee Settlement.

Motion made by Swanson, seconded by Smidt, and unanimously carried to approve the agenda as presented with the two deletions of items A. and B. under old business and the two additions of items F. and G. under new business as stated.

CONSENT AGENDA

Mayor Delaney stated the Consent Agenda contains the January 21, 2025, Regular Meeting Minutes, and Payment of Claims-Listing of Bills. He then asked if there was any discussion regarding these items. No discussion was held.

Motion was made by Smidt, seconded by Thompson and unanimously carried to approve the Consent Agenda items which consisted of the January 21, 2025, Regular Meeting Minutes, and Payment of Claims-Listing of Bills in the amount of \$603,612.76 for warrants #074087 to #074180 to be issued in payment thereof.

COMMUNITY CONCERNS

Administrator Nelson stated that there was no one signed in for community concerns and she did not receive any calls or e-mails with concerns.

PUBLIC HEARING

Public Hearing Relating to the Transfer and Defederalization of Community Development Block Grant Funds to the Southwest Initiative Foundation

Mayor Delaney called for a motion to open the public hearing relating to the transfer and defederalization of community development block grant funds to the Southwest Initiative Foundation.

Motion made by Thomson, seconded by Colbeck, and unanimously carried to open the public hearing at 6:34 p.m.

Delaney then said, this public hearing is required to be held to start the process of defederalizing Community Development Block Grant Funds and transferring the remaining block grant funds to the Southwest Initiative Foundation who is an eligible entity that will be responsible for the administration of the funds on behalf of the city. He explained, following the public hearing, the council will be considering the approval of Resolution 2025-14 and an agreement between the City and the Southwest Initiative Foundation. He then invited EDA Director Schroyer to the podium to speak. Schroyer stated that there have been approximately \$19,000 sitting in a fund from 1999 that could be loaned out with strict regulations; however, due to the small amount there is no one willing to go through all of the red tape to apply for the funds. He said if the funds are defederalized and transferred to the Southwest Initiative Foundation (SWIF), which is an eligible organization, the city could work with SWIF to loan out the money for projects within the city limits of Pipestone. Schroyer said if the city council agrees to move forward, he will be making an application to DEED and SWIF to make sure all parties are agreeable of the plan.

With no one wishing to speak, Delaney called for a motion to close the public hearing.

Motion made by Colbeck, seconded by Thompson, and unanimously carried to close the public hearing at 6:38 p.m.

OLD BUSINESS – None.

NEW BUSINESS

Resolution 2025-13

Delaney said Resolution 2025-13 was discussed during the 5:30 p.m. work session earlier this evening with the city's financial advisor Rebecca Kurtz. This resolution amends resolution 2017-33 that was adopted on June 19, 2017, and amends the terms of the interfund loan, authorizing the city to advance up to \$250,000 from the city's general fund to reimburse itself for qualified costs associated with TIF District No. 1-13. Delaney shared that the resolution that was prepared prior to the meeting states \$250,000 but at the work session, Kurtz advised using the figure of \$450,000.

Motion made by Smidt, seconded by Thompson, and unanimously carried to approve resolution 2025-13: Resolution Amending and Restating an Interfund Loan for Advance of Certain Costs in Connection with Tax Increment Financing District No. 1-13 with a dollar amount of \$450,000 and not \$250,000.

Resolution 2025-14

Delaney stated, this resolution is relating to the public hearing that was held earlier in the meeting. It is being brought forth to better utilize the federal funds set aside from the Community Development Block Grant – Economic Development program fund. If approved, a request will be made to Minnesota Department of Economic Development for approval to designate the Southwest Initiative Foundation as a Local Development Organization (LDO), serving the community and economic development needs of the City of Pipestone and, therefore, authorize them to receive the repayments from the CDBG-ED Set-Aside loan to Ellison Meats.

Motion made by Colbeck, seconded by Thompson, and unanimously carried to approve Resolution 2025-14: A Resolution Defederalizing and Transferring Community Block Grant Funds to the Southwest Initiative Foundation.

Agreement with the Southwest Initiative Foundation

Delaney said this agreement goes along with resolution 2025-14 and is a mutual agreement that designates the Southwest Initiative Foundation as the LDO to administer the \$19,268.16 in defederalized funds remaining from the community development block grant. He said, if approved by the council, it will then be directed to the Southwest Initiative Foundation Board of Directors for their consideration.

Motion made by Thompson, seconded by Colbeck, and unanimously carried to approve the agreement with the Southwest Initiative Foundation as presented.

Resolution 2025-15

Mayor Delaney stated that the following donations have been received and this resolution accepts the donations:

- Prairielands Library Exchange \$496.46 - To assist the Meinder's Library with Innovative Marketing.

Motion was made by Swanson, seconded by Colbeck and unanimously carried to approve Resolution 2025-15: A Resolution Accepting Donations.

Resolution 2025-16

Delaney stated this resolution approves plans and specifications for the AWOS replacement project at the municipal airport and allows the city's engineering firm to prepare the advertisement for bids. If approved, the advertisement will be published for 3 weeks and bids will be opened publicly on March 3rd then tabulated and up for council consideration on March 17th.

Motion made by Thompson, seconded by Colbeck, and unanimously carried to approve Resolution 2025-16: Resolution Approving Plans and Specifications and Ordering Advertisement for Bids.

One and Five Year Plan

Delaney informed the public that the council met on Saturday, February 1st for their annual planning session where the council discussed priorities and updated the city's one and five year plan. He said following that meeting, staff put together the plans that were discussed and the final plan is ready for approval.

Motion made by Swanson, seconded by Thompson, and unanimously carried to approve the one and five year plan as presented.

VISA/Mastercard Settlement Claim

Delaney asked Attorney Hill to speak on the claim. Hill stated that the deadline to file a claim in the case is tomorrow. He said he looked into it and it applies to government entities and businesses. He went onto say that there is not a whole lot of money but for every million dollars in credit card use, the city could receive approximately three to nine thousand dollars. He said the only thing to

submit now is a tax id number and staff should be able to figure out how much credit card usage there was from the timeframe specified in the claim.

Motion made by Thompson, seconded by Colbeck and unanimously carried to move forward with the VISA/Mastercard settlement claim.

CLOSING COMMENTS

Mayor Delaney – Informed the public that the public works department has been working near the city soccer fields and the Hiawatha lodge park to control buckthorn. He explained that buckthorn is a very invasive species and said the parks may look a little different with the vegetation gone.

ADJOURNMENT

Motion made by Swanson, seconded by Colbeck, and unanimously carried to adjourn the meeting at 6:55 p.m.

Dan Delaney
Mayor

ATTEST:

Stephanie LaBrune
Assistant City Administrator / City Clerk